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SUBJECT: NOT MUCH SUBSTANCE AT THE VI ALBA SUMMIT

11. (U) SUMMARY: Venezuela hosted the VI Bolivarian Alternative for the Peoples of our Americas (ALBA) summit January 24-26, 2008 in Caracas. While little substantive occurred at the summit, it provided Hugo Chavez a platform to rail against capitalism and the United States. Three of the four ALBA nations: Venezuela, Nicaragua and Bolivia, were represented by their respective heads of state. Vice President Carlos Lage represented Cuba. Summit milestones included the inauguration of the Bank of ALBA and the proposal for the Grand National Energy Company of ALBA. In addition the small island nation of Dominica, represented by it's Prime Minister Roosevelt Skerrit, became a full member. Honduras, Ecuador, Uruguay, Haiti, Antigua and Barbuda, Saint Vincent and the Grenadines sent observers. END SUMMARY.

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Pulpit to Criticize the United States  
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12. (U) ALBA, created in 2004, is Chavez' vision of an alternative to the U.S. backed proposed Free Trade Area of the Americas (FTAA) and other Free Trade Agreements (FTAs). During the VI ALBA summit, Chavez stated that ALBA was an alternative "to form a new world...to save the human specie from the threats of capitalism." On Sunday, 27 January, the day after the ALBA summit concluded, Chavez, during his broadcast of "Alo Presidente" stated "many countries want to join ALBA but the empire (the United States) will not let them."

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Bank of ALBA  
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13. (U) On January 26 in Caracas ALBA's four member states inaugurated the Bank of ALBA (BOA). Venezuelan Finance Minister, Rafael Isea told the official Venezuelan News Agency (ABN) "the goal of the bank is not to accumulate wealth but to promote development within Latin American countries and the Caribbean....the bank should serve the high interests of our people and not the high financial interests." Initial proposed capital of the Bank of ALBA will be USD one billion. The Cuban Vice President was quoted by ABN that the BOA will "function as a bank under the principles of ALBA: complementariness, not competition and the priority of man over markets." BOA's headquarters is an 11 story building located in Caracas which is scheduled to be fully equipped and staffed in February.

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Trans National Energy Company of ALBA  
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¶4. (U) Chavez announced during the ALBA summit a plan to incorporate the first Trans National Energy Company of ALBA. This proposal, framed within the ALBA Energy Security Treaty, is designed to ensure the stable supply of petroleum products to the peoples of the region for the next century. An agreement is scheduled to be completed within 90 days. The agreement will include exploration and exploitation of a crude oil block in the "Faja" of the Orinoco region. According to ABN the proven reserves in the block are approximately ten billion barrels of oil.

¶5. (U) Additional summit highlights included:  
A joint political declaration denouncing the warmongering attitude of the United States Government and its attacks against Latin American governments;  
A "security and food sovereignty treaty";  
Honduras signing an agreement with Venezuela and is now a full member of Petrocaribe.  
Cuba and Venezuela signing an agreement for the construction of a submarine communications cable;  
The induction of the Commonwealth of Dominica into ALBA.

¶6. Comment: (SBU) The VI ALBA summit essentially provided a venue for Hugo Chavez to rant against the United States and capitalism. It is interesting to note that Venezuela's two largest trading partners, after the United States, Colombia and Brazil are not members of ALBA and did not attend the summit. End Comment.

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